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THE DIRECTOR OF CENTRAL INTELLIGENCE

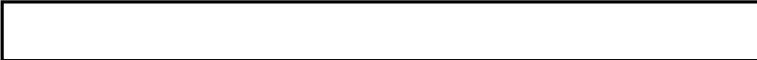
WASHINGTON, D.C. 20505

DDI #7275-82
8 September 1982

National Intelligence Council

MEMORANDUM FOR: Director of Central Intelligence

FROM:


National Intelligence Officer for Economics

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SUBJECT: The Basis of a Common Allied Policy on Economic
Relations with the USSR

1. This is a revised version of my paper, The Basis of a Common Allied Policy on Economic Relations with the USSR. I have rewritten the opening paragraph to make it more consistent with the thrust of the rest of the paper and have included statistical material (Annex A), information on Soviet use of imported Western equipment and technology for military purposes (Annex B), and a review of the major natural gas projects which could provide alternatives to Soviet gas for Western Europe (Annex C). Your specific suggestions on other parts of the paper as well as those of NIOs and DDI analysts have also been incorporated.

2. I understand that the planned Buckley mission to Western Europe to discuss the pipeline issue and if possible build bridges to our Allies is in limbo, in part because the West Europeans cannot agree among themselves on an approach to the US. Buckley's assistant tells me that the present tentative plan is to discuss these questions with the Europeans on the periphery of the UN General Assembly meeting scheduled for the end of the month. This delay apparently gives us more time to get our assessments and views downtown. Please let me know whether you would like to send a version of this paper under your signature, or alternatively have any objection if Harry and I were to send it informally as our personal views to our own contacts.

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Attachment,
As stated

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